

Oregon Technical Advisory Committee Meeting
May 11, 2006
OSU Experiment Station – Aurora, Oregon

Facilitator: Sara Magenheimer

Members Present: **Co-Chairs:** Bob Graham, NRCS State Conservationist, and Larry Frey, FSA State Director; **NRCS:** Sara Magenheimer, Cec Cullison, Bill White, Todd Peplin, Russ Hatz, Deborah Virgovic; Meta Loftsgaarden; **FSA:** Lois Loop; **Farm Service Agency State Committee:** Sam Asai and Daulton Straus; **Defenders of Wildlife:** Cheryl Hummon; **Oregon Cattlemen's Association:** Kevin Westfall; **Oregon Habitat Joint Venture:** Bruce Taylor; **Oregon Department of Forestry:** Lanny Quackenbush and Mike Barsotti; **The Xerces Society for Invertebrate Conservation:** Mace Vaughan; **OSU Cooperative Extension Service:** Bill Braunworth; **Department of FW, OSU:** Randy Moore; **Oregon Department of Agriculture:** Larry Ojua; **US Fish and Wildlife Service:** Lee Folliard and Bruce Campbell; **US Forest Service:** Ray Abriel; **Oregon Small Woodlands Association:** John Poppino; **Oregon Tilth:** Chris Schreiner; **The Nature Conservancy:** Derek Johnson; **Willamette Partnership:** David Primozych; **Defenders of Wildlife:** Sara Vickerman; and **Oregon Water Resources Department:** Bob Rice

Opening Remarks Sara Magenheimer:

- Self-introductions
- Next Meeting
 - July 27, 2006 at the OSU Experiment Station – Aurora
 - September 28, 2006 with a possible meeting site at the PMC in Corvallis
- Minutes were approved as written.

Larry Frey – Discussed funding for agencies and the potential for limited dollars in the next Farm Bill. FSA has finished the CRP sign-up and everything went very well. CRP is great program for conservation.

Bob Graham – Ron Alvarado was selected as the new STC in New York. The House sub-committee in Ag Appropriations completed the mark-up and it did pass to the full Ag committee. NRCS will have information on the national website showing how funding has been distributed to the states. Oregon received about the same amount of funding as last year, which is good.

Lois Loop – Conservation Reserve Enhancement Program (CREP) - Discussion of Current CREP Rental Rate Determinations

The CREP currently requires a use criteria and a certified water right with a resulting in-stream lease to qualify for irrigated rental rates. FSA invites discussion of whether this policy should be revised. As part of the original agreement in 1998 and continued into the revised agreement in 2004, an applicant for CREP may receive a higher rental rate for the land if he/she:

1. Can document use of surface irrigation at rates not less than ½ acre foot/acre/year for 2 of the last 5 years.
2. Has a certified or decreed water right issued by Oregon Water Resources Department.
3. Agrees to enter into an in-stream lease with OWRD for the term of the CREP contract for the water right attached to the land enrolled for the life of the CREP contract.

Applying all of these criteria has resulted in denial of irrigated rental rates to landowners who had in-stream leases prior to their application for CREP and who cannot meet the use criteria. Opening up the agreement to revise any of the current eligibility criteria, including the use requirement, would allow USDA/FSA at the national level to further modify items in the agreement to correspond more closely with new agreements now being signed with other states that have lower incentives.

Oregon has the only Cumulative Impact Bonus in the nation. This provision pays an additional payment to landowners who have enrolled at least 50% of a 5-mile segment of stream bank. This plus the actual irrigated rental rates may be at risk of being decreased or eliminated entirely if the agreement is opened up for revision. We have already experienced a decrease in two incentives built into the program because of the tie to the national regulations. Items specified in the agreement but not tied directly to national regulations have not been challenged at this point. Budget concerns are forcing a review of all incentives nationwide. Opening up the agreement for revision may result in Oregon losing more incentives than can be gained for the few landowners who would benefit from this revision.

Recommendation: The OTAC Committee advised that Oregon shouldn't take the risk of opening of the agreement for revision at the national level, and perhaps we can look for other incentives. Bob Graham mentioned there may potentially be state, local, and private funding available.

Todd Peplin – NRCS Grants

The awareness of grant opportunities to our partners has increased the number of proposals NRCS received for fiscal year 2006. Four grant funding source were made available through NRCS:

- The Conservation Innovation Grant (CIG):
12 applications received (75% increase from last year)
- Grazing Land Conservation Initiative (GLCI):
10 applications (new grant this year)
- Cooperative Conservation Partnership Initiative (CCPI):
6 total applications received
5 – Conservation Priorities
1 – Rapid Watershed Assessment

On March 27, the CCPI grant review team, reviewed and recommended to NRCS applications for funding. Two applications under the conservation priorities category were selected and sent to the National NRCS office for funding consideration.

A new grant was posted on March 30th announcing the Fish and Wildlife Conservation Grant (FWCG). This grant primarily targeted new and innovative technologies to address fish and wildlife habitat restoration. This is a new grant, and will close on April 27th.

- Fish and Wildlife Conservation Grant (FWCG):
12 applications received (new grant this year)

NRCS has sent letters of review to applicants who applied under the CIG, GLCI, and CCPI grant. Awards should be announced by June 15th.

Wildlife Habitat Incentives Program (WHIP)

NRCS will be reviewing the State WHIP plan and developing a WHIP state action plan. This plan serves as an important tool in focusing funding on projects that are of the highest value in order to conserve and restore important habitats. NRCS is required to ensure that the State WHIP Plan has been updated to address National and State Priorities by July 1, 2006. To ensure the action plan is complete NRCS will be engaging our wildlife partners for assistance and advice.

WHIP Action Plan - Sub Committee for OTAC

Deborah Virgovic	deborah.virgovic@or.usda.gov
Roger Borine	roger.borine@or.usda.gov
Bruce Taylor	bbtaylorwet@aol.com
Derek Johnson	djohnson@tnc.org
Cheryl Hummon	chummon@defenders.org
Randy Moore	randy.moore@orst.edu
Lee Folliard	lee_folliard@fws.gov

Bruce Campbell
Mace Vaughan

bruce.h.campbell@state.or.us
mace@xerces.org

Environmental Quality Incentives program (EQIP)

NRCS reviewed and sent in comments to the National NRCS office regarding the ranking criteria used for FY06 EQIP applications. The national ranking criteria used for EQIP applications assisted NRCS in evaluating EQIP applications on an equitable basis. State and Local natural resource priorities and issues need to be reviewed annually to ensure that the program is effectively addressing the targeted resource issue(s).

Conservation of Native Pollinators – Mace Vaughn (Xerces Society)

Mace Vaughan, Conservation Director for the Xerces Society for Invertebrate Conservation, discussed the latest research on crop pollination by native bees, the biology and habitat requirements of these species, and the steps that can be taken to help ensure that native pollinators continue to provide their valuable service and even increase their abundance in agricultural landscapes. Native bees can provide significant crop pollination benefits when habitat is available. They can also greatly benefit when on-the-ground conservation activities are fine-tuned to meet their forage and nest site needs.

The number of managed European honey bee hives has been in steady decline for the past fifty years. Diversifying the pollinators upon which growers depend provides an incentive for growers of insect-pollinated crops (cherries, apples, berries, squash, melon, vegetable seed, etc.) to protect or enhance habitat to meet the needs of native bees. Also discussed was the current effort to include pollinator habitat incentives in Farm Bill conservation programs. They have been working with NRCS and currently have a brochure available with additional information.

The Xerces Society is a non-profit organization that protects biological diversity through the conservation of invertebrates. They are working with farmers and scientists across the country to protect habitat that supports pollinators and to increase populations of native bees so that they can play a larger role in crop pollination.

Northwest Ecosystem Marketplace – Sara Vickerman and David Primozych

Sara and David presented information on their work with partners and public sectors to create an “ecosystem marketplace” where resources can be combined to invest strategically in high priority areas and projects at an ecologically significant scale. The presentation discussed potential buyers of credits breaking them up into three main categories.

The ecosystem marketplace is designed to tap market forces and incentives to capture value from development and direct it toward conserving natural places that provide the greatest benefit at the lowest cost. An organizational framework can efficiently match buyers and sellers. Administrative costs will be kept to a minimum to allow greater investment in the resources.

The primary focus of the marketplace will be on the conservation and trading of land and water to produce maximum benefits for people and ecosystems. An underlying assumption in the marketplace concept is that many sites, especially if they are carefully selected and large, will provide multiple values to society. The challenge is to establish values for the full range of services, then to market those services to the most likely buyers.

Prior Year Contracts – Meta Loftsgaarden

Prior year practices not installed by the land manager on schedule have created a backlog of conservation practices for NRCS. The backlog of practices must be resolved by the end of this Fiscal Year. We will be working very closely with producers to modify some contracts or maybe even cancel the contract. This will be a great opportunity to touch base with producer.

There are over 2,900 conservation practices that have not been implemented. Practices range from fencing, irrigation systems, and irrigation management to grazing practices. A few areas in the state have a larger workload, one is Klamath along with some of the counties in the southwest. Resolving this backlog is an Oregon priority.

A draft policy has been put together; this document is available for review. NRCS has assembled a team to look at keeping future year contracts on track. Reasons for the backlog are a mix of material costs, weather issues, heavy workload and other reasons as to why practices were not installed on time.

Developing Draft Contract Policy Comments

Lanny Quackenbush signed up to be on the committee.

Conservation Reserve Program Re-enrollment – Lois Loop

In 2007 Oregon will have 295,694.3 acres that are now under CRP contracts expire. In 2008, an additional 63,460 acres will be released from expiring contracts. Approximately 400,000 contracts and 28 million acres nationwide are due to expire between 2007 and 2010. Half of this land will expire in 2007. Half of the contracts that will expire in 2007 have already re-enrolled. FSA will do a compliance review on all of those contracts. In order to cover all of the acres with limited time and staff, we will be doing compliance reviews by helicopter at 100 feet.

In an effort to ease the workload on FSA nationwide and to continue the environmental benefits derived from these acres, USDA will offer re-enrollment and extensions options to certain CRP contracts. Participants with contracts expiring during this time will be offered either re-enrollment or extensions of the current contract for 2-5 years.

The determination of which contracts will be offered re-enrollment and which will be offered extensions will be based on the environmental benefit index (EBI) determined for each contract at the time of original enrollment. Those with EBI's in the highest 20 % will be offered re-enrollment, from 20-40% will be eligible for a 5-year extension, 40-60 % can be extended for 4 years, 60-80% will be eligible for a 3 year extension while those with EBI's in the lowest percent group (80-100%) can extend the contract for 3 years. These producers have not been contacted and the process has begun to re-enroll or extend their contracts.

Grazing and Haying Dates – The nesting period for CREP has been designated as April 1st to July 15th. Producers are allowed to hay and graze outside of the nesting period for 120 days. There is a proposal into the board requesting the ability to split this time period into two 60-day grazing periods. Right now the entire state has a 120 day grazing period. Sherman County wanted 120 for grazing changed to 60 day grazing period between February 1st – March 30th and July 16th to September 16th. This will give them a closer look at their cover needs. Only about 12 producers will be taking part in this program so it won't be difficult to make sure that they are in compliance.

Recommendation: No objections to the proposal from the OTAC members present. State committee approval of Sherman's request and the committee will also review additional counties that may come in for approval to split. Lois Loop will report back at the end of each year with the numbers of split grazing option. The producer can graze only one out of every three years.

Bill White - Methane Digester Update: 240,000 dollars from EQIP allocations that would be available to provide cost share on projects involving methane digesters. No more than \$80,000 per contract. There will be one contract in Tillamook and one in Marion County.

Public Comments:

Russ Hatz– Starting an initiative with Paul Jepson and the integrated pest management program. Paul will speak to the OTAC group at the future meeting probably in September. Conservation planning sessions are coming up to train NRCS and SWCD employees. Boot Camp is now in session in Corvallis.

Derek Johnson – Brenda Brown and Russ Pinto have been past representatives at this meeting. I have been on board for about eight months. Thanks goes out to NRCS for WRP easement on the Klamath and closed in February.

Cheryl Hummon – OSARC center had signing ceremony in February and the declaration of cooperation had its first meeting in Corvallis a couple months ago. Our organization submitted an application for the Conservation Innovative Grants. We also have received \$50,000 from F&WL foundation to focus on Willamette area.

Randy Moore – Thank you for all the great information presented today.

Lanny Quackenbush – We are working on the stewardship agreement and rules, we will have a hearing in Prineville in two weeks. They will look at making modifications to the agreement. Several heads of our organization have been promoted to other positions and looking at filling some vacancies.

Lee Folliard – We wrapped up projects for this year and have funding set aside. We are working on our strategic plan with an emphasis on performance, accountability and progress. We are establishing focus areas around the state and taking a look at our five year projections. An MOU has been established with NRCS, USFW, and association of F&W agencies to communicate, coordinate and help each other. OTAC is a good format for this.

Kevin Westfall – Oregon Cattlemen is looking at renewable fuels. We are also looking at tax credits and will be working with timber and Ag folks to initiate some legislative initiatives. We are dealing with air quality issues to clear-up any discrepancies to make sure there is regulation in place that doesn't hinder the operation.

Bob Rice – First time in 7 years Columbia basin will be above precipitation figures. Means that most of the reservoirs in state are looking good and we are not looking at any critical shortages.

Mike Barsotti – Landowners are asking that all forestlands be certified, a document is due out April 11. A forest certification process in Oregon is feasible. Documentation and policy is important.

Daulton Strauss –I will be serving on the local endangered species committee.

Sam Asai – Great informational meeting. For a future meeting I would like the committee to give an update on CSP. Around the 27th of July will be finishing our cherry harvest and I will bring samples.

Todd Peplin – Will meet after this meeting with the WHIP action plan committee members.

John Poppino – Oregon Small Woodlands Association wants to find out where they fit into the ecosystem payment. Think we qualify but don't have a banker yet. Supporting tree farms for recertification in Oregon for small farmers.

Bill Braunworth – OSU hired some people dedicated to small farm clientele. We plan to put someone in Central Oregon. Some of the appointments are just part time, but happy to get team going.

Chris Schreiner – This is my first meeting and taking in a lot of information. Today's agenda was interesting and a good mix with innovative thinking. Looking at taking part in other meetings.

Sara Magenheimer – Glad to see all the new faces. Our next meeting is July 27, 2006 here in Aurora. If you have topics for next meeting, please drop us an e-mail.

Bob Graham – Thanks all of you for coming and participating. Value the dialogue that goes along and importance of discussions. Challenge is to make a good meeting agenda and keep this meeting important. Feel free to invite other people that may not currently be attending the meetings.

Larry Frey –Looking at another ad hoc disaster program and it is all coming from southern states. Oregon FSA is thinning down but according to NHQ the FSA tomorrow to close/consolidate offices has been laid on the table. In order to be proactive in Oregon we will consolidate one office, eliminating the Tillamook office, which has only one person. The proposal was sent to Washington D.C. but is still waiting on a decision.

Meeting adjourned at 3:40pm